

HOUSE BILL NO. 497
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE GREEN

Introduced: 2/14/94

Referred: Community & Regional Affairs, Labor & Commerce

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to electric and telephone cooperatives."

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * Section 1. AS 10.25.200 is amended to read:

4 Sec. 10.25.200. OFFICERS. The officers of a cooperative are a president ~~or~~
5 chair, a vice-president or a vice-chair, a secretary and a treasurer. The officers shall
6 be elected annually by the board of directors from among its members. When a
7 person holding an office ceases to be a director, that person ceases to hold office. The
8 offices of secretary and of treasurer may be held by the same person. The board of
9 directors may elect or appoint such other officers, agents, or employees as it considers
10 necessary or advisable and shall prescribe their powers and duties. An officer may be
11 removed from office and a successor elected in the manner prescribed in the bylaws.

12 * Sec. 2. AS 10.25.210 is amended to read:

13 Sec. 10.25.210. AMENDMENT OF ARTICLES OF INCORPORATION. A
14 cooperative may amend its articles of incorporation as follows, except that it may

1 change the location of its principal office in the manner set out in AS 10.25.230:

2 (1) the proposed amendment shall be presented to a meeting of the
3 members, or district delegates and the notice of the meeting must set out or have
4 attached to it the proposed amendment;

5 (2) if the proposed amendment, with any changes, is approved by the
6 affirmative vote of not less than two-thirds of those members, or district delegates
7 voting on it, the president or chair, or vice-president or vice-chair, shall execute and
8 acknowledge articles of amendment on behalf of the cooperative and the secretary shall
9 affix and attest to the seal of the cooperative.

10 * Sec. 3. AS 10.25.220(b) is amended to read:

11 (b) The president, chair, [OR] vice-president, or vice-chair executing the
12 articles of amendment shall make and annex to them an affidavit stating that the
13 provisions of this section regarding the amendment were complied with.

14 * Sec. 4. AS 10.25.230 is amended to read:

15 Sec. 10.25.230. CHANGE OF LOCATION OF PRINCIPAL OFFICE. A
16 cooperative may, upon authorization of its board of directors or its members, change
17 the location of its principal office by filing a certificate reciting the change of principal
18 office, executed and acknowledged by its president or chair, or vice-president or vice-
19 chair, under its seal, attested by its secretary, in the office of the commissioner.

20 * Sec. 5. AS 10.25.240(a) is amended to read:

21 (a) Except as provided in (b) of this section, one or more cooperatives, each
22 designated in this section as "merging cooperative," may merge into another
23 cooperative, designated in this section as "surviving cooperative," by complying with
24 the following requirements:

25 (1) the proposition for the merger of the merging cooperatives into the
26 surviving cooperative and proposed articles of merger shall be submitted to the
27 members of each merging cooperative and of the surviving cooperative; the notice
28 shall have attached to it a copy of the proposed articles of merger;

29 (2) if the proposed merger and the proposed articles of merger, with
30 any amendments, are approved by the affirmative vote of not less than two-thirds of
31 those members of each cooperative voting on them, articles of merger in the form

1 approved shall be executed and acknowledged on behalf of each cooperative by its
2 president or chair, or vice-president or vice-chair, and its seal shall be affixed by its
3 secretary.

4 * Sec. 6. AS 10.25.250(c) is amended to read:

5 (c) The president or chair, or vice-president or vice-chair, of each cooperative
6 shall make and annex to the articles an affidavit stating that the provisions of this
7 section regarding the articles were complied with by the cooperative.

8 * Sec. 7. AS 10.25.260 is amended to read:

9 Sec. 10.25.260. CONSOLIDATION. Two or more cooperatives, designated
10 in this section as "consolidating cooperative," may consolidate into a new cooperative,
11 designated in this section as the "new cooperative," by complying with the following
12 requirements:

13 (1) the proposition for the consolidation into the new cooperative and
14 proposed articles of consolidation shall be submitted to the members of each
15 consolidating cooperative; the notice shall have attached to it a copy of the proposed
16 articles of consolidation;

17 (2) if the proposed consolidation and the proposed articles of
18 consolidation, with any amendments, are approved by the affirmative vote of not less
19 than two-thirds of those members of each consolidating cooperative voting on them,
20 articles of consolidation in the form approved shall be executed and acknowledged on
21 behalf of each consolidating cooperative by its president or chair, or vice-president
22 or vice-chair, and its seal shall be affixed and attested by its secretary.

23 * Sec. 8. AS 10.25.270(c) is amended to read:

24 (c) The president or chair, or vice-president or vice-chair, of each
25 consolidating cooperative executing the articles of consolidation shall make and annex
26 to the articles an affidavit stating that the provisions of this section regarding the
27 articles were complied with by the cooperative.

28 * Sec. 9. AS 10.25.290(c) is amended to read:

29 (c) If the proposition for the conversion of the corporation into a cooperative
30 and the proposed articles of conversion, with any amendments, are approved by the
31 affirmative vote of not less than two-thirds of those members of the corporation voting

1 on them or, if the corporation is a stock corporation, by the affirmative vote of the
2 holders of not less than two-thirds of those shares of the capital stock of the
3 corporation represented at the meeting and voting on them, or, in the case of a
4 corporation having no members and no shares of its capital stock outstanding, by the
5 affirmative vote of not less than two-thirds of its incorporators, articles of conversion
6 in the form approved shall be executed and acknowledged on behalf of the corporation
7 by its president or chair, or vice-president or vice-chair, and its seal shall be affixed
8 and attested by its secretary.

9 * Sec. 10. AS 10.25.300(c) is amended to read:

10 (c) The president, chair, [OR] vice-president, or vice-chair executing the
11 articles of conversion shall make and annex to it an affidavit stating that the provisions
12 of this section were complied with regarding the articles. The articles of conversion
13 are the articles of incorporation of the cooperative.

14 * Sec. 11. AS 10.25.320(d) is amended to read:

15 (d) Upon approval, a certificate of election to dissolve, hereafter designated the
16 "certificate," executed and acknowledged on behalf of the cooperative by its president
17 or chair, or vice-president or vice-chair, under its seal, attested by its secretary, shall
18 be submitted to the commissioner for filing together with an affidavit by the officer
19 executing the certificate stating that the statements in the certificate are true. The
20 certificate must state the name of the cooperative, the address of its principal office,
21 and that the members of the cooperative have voted to dissolve the cooperative.

22 * Sec. 12. AS 10.25.350 is amended to read:

23 Sec. 10.25.350. TERMINATION OF COOPERATIVE AFFAIRS. The board
24 of directors shall wind up and settle the affairs of the cooperative, collect sums owing
25 to it, liquidate its property and assets, pay and discharge its debts, obligations and
26 liabilities, other than those to patrons arising by reason of their patronage, and do all
27 other things required to wind up its business. After paying or discharging or
28 adequately providing for the payment or discharge of all its debts, obligations and
29 liabilities, other than those to patrons arising by reason of their patronage, the directors
30 shall distribute remaining sums, first, to patrons for the pro rata return of all amounts
31 standing to their credit by reason of their patronage, and second, to members for the

1 pro rata repayment of membership fees. Sums then remaining shall be distributed
2 among its members and former members in proportion to their patronage, except to the
3 extent participation in the distribution has been legally waived. The board of directors
4 shall thereupon authorize the execution of articles of dissolution. The president or
5 chair, or vice-president or vice-chair, shall execute and acknowledge articles of
6 dissolution on behalf of the cooperative and the secretary shall affix and attest to the
7 seal.

8 * Sec. 13. AS 10.25.360(b) is amended to read:

9 (b) The president, chair, [OR] vice-president, or vice-chair executing the
10 articles of dissolution shall make and annex to the articles an affidavit stating that the
11 statements contained in the articles are true.

12 * Sec. 14. AS 10.25.480 is amended to read:

13 Sec. 10.25.480. EXECUTION AND FILING OF STATEMENT. The
14 statement of change of office or agent shall be executed by the cooperative by its
15 president or chair, or vice-president or vice-chair, verified by the person executing
16 the statement, and directed to the commissioner. If the commissioner finds that the
17 statement conforms to this chapter, the commissioner shall file it in the commissioner's
18 office. Upon the filing, the change of address of the registered office, and the
19 appointment of the registered agent, or both, as the case may be, is effective.